

FISCAL NOTE

HB 277 - SB 1862

April 3, 2005

SUMMARY OF BILL: Authorizes the State Board of Education in consultation with the Departments of Health and Education to establish rules for minimum nutritional standards for individual food items sold in vending machines, or other sources, including school nutrition programs to students in grades 9-12.

ESTIMATED FISCAL IMPACT:

Decrease Local Govt. Revenues - Exceeds \$1,000,000 Statewide

Assumptions:

- School nutrition programs that are not in compliance with the nutritional guidelines and schools that currently operate vending machines would have to adjust the types of food offered through their programs, which could result in a significant loss of revenue.
- It is estimated that if minimum nutritional standards were adopted for foods sold in high schools through vending machines and other sources, individual schools could lose more than \$100,000 in revenue annually from cafeteria sales of foods that currently do not meet such nutritional guidelines. High school cafeterias depend a great deal on the sale of ala carte items, which may not comply with nutritional standards.
- This loss of revenue does not reflect the amount of revenue from the sale of more nutritious options that might replace or offset the sale of the current non-nutritious ones. The amount, if any, that would be collected from sales of new nutritious foods cannot be reasonably determined.
- If certain items are no longer available through vending machines, or other sources, students might bring these items to school, which they can do at present.
- If a school system had a local policy prohibiting vending machines, such system could allow vending machines in the future if they offer for sale only foods that meet certain nutritional standards. However, most high school currently operate vending machines.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director